

December 22, 2005  
Seven o'clock P.M.  
North Little Rock School District Board Room  
2700 Poplar  
North Little Rock, Arkansas

The regular meeting of the North Little Rock City Council scheduled for Thursday, December 22, 2005, was called to order at 6:55 p.m. by the honorable Mayor PATRICK HENRY HAYS. The roll having been called, and the following Aldermen answered to their names: MARTIN GIPSON, NEIL BRYANT, LINDA ROBINSON, OLEN THOMAS, GARY BERRY, JOHN PARKER, and MURRY WITCHER, a quorum was declared (7/0). Alderman CHARLIE HIGHT was absent. City Clerk Diane Whitbey and City Attorney Paul Suskie were also present.

The invocation was given by Mayor Hays, followed by the pledge of allegiance to the flag which was also led by Mayor Hays.

On the motion of Alderman Berry and seconded by Alderman Witcher, and by consent of all members present, the minutes from a regular council meeting and a special call meeting held on December 12, 2005, were approved, accepted and filed as prepared by the City Clerk (7/0).

On the blanket motion of Alderwoman Robinson and seconded by Alderman Bryant, and by consent of all members present, communications #1, 2, 3, and 4 were accepted and filed (7/0).

1. Sharon Tedford, Mayor's Office memorandum re: application for new restaurant mixed drink permit for El Porton

Mexican Restaurant, 5021 Warden Road, by Gonzalo M. Garcia.

2. Eugene Pfeifer, letter and illustration to Diane Whitbey, City Clerk re: Young Road Pocket Annexation supporting annexation.

3. Sharon Tedford, Mayor's Office memorandum re: application for new restaurant mixed drink permit for Texas Roadhouse

Restaurant, 3601 Warden Road, by John Henry Arnold.

4. Danny Bradley, North Little Rock Police Chief letter to Mayor Hays re: cost estimates for operation of old North Little

Rock Jail site (\$2,270,000.00 and annual operating costs).

Mayor Hays advised he would leave the council meeting at 8:00 p.m. to welcome the Middle-Weight World Champion, Jermaine Taylor at Alltel Arena during halftime of the Arkansas Rimrockers Basketball game.

Mayor Hays reconvened a public hearing re: O-05-96, 2006 City of North Little Rock Budget at 6:58 p.m. Mr. Jim Ard reminded the council to keep their promise. Mayor Hays adjourned the public hearing at 6:59 p.m. Without objection, O-05-96 was called.

O-05-96 (ORDINANCE NO. 7773 - MAYOR HAYS)

AN ORDINANCE ADOPTING A BUDGET FOR THE 2006 FISCAL YEAR FOR THE CITY OF NORTH LITTLE ROCK; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES, was read two times on December 12, 2005, was read a third and final time this date (a public hearing was held this date). A motion to adopt was made by Alderman Gipson and seconded by Alderman Berry. Alderwoman Robinson asked about the addition of funds for Police and Fire Pensions, but not for non-uniformed employees. Mr. Bob Sisson, Finance Director advised the State Legislature had raised the

multiplyer to 2.7%. In order to meet the requirement an additional amount had to be allocated for Police and Fire salaries. The city pays 6% for non-uniformed employees and the employee pays 4%. Alderman Thomas asked about retired Police and Firemen. Their pension does not change unless the council passes legislation to change their amounts. Mayor Hays advised the 2006 budget does not contain raises other than step and grade increases. Drastic increases in electric rates are expected in the future. At this point, the workforce will not have to be reduced. Alderman Berry asked about providing insurance for retired employees and said it isn't possible now, but could be in the future. Alderman Gipson has served on the Non-uniformed Employee Pension Board and has looked at the best ways to help employees plan their retirement/pension. The Police and Fire Plans are funded by different sources including a 1 mil property tax. Revenue sources have been maxed. The only growth will be in sales tax which will cover step and grade increases and rising insurance costs. The city spends 100 to 105% of the premiums on health insurance. The family insurance plan is \$780.00 per month. Private industry pays \$1,050.00 per month. Alderman Gipson asked Mr. Sisson to send a copy of the retired non-uniformed employees monthly pension list. On the previous motion, and the roll having been called, and all members present having voted in the affirmative, the ordinance was adopted (7/0). Emergency clause adopted (7/0).

Mayor Hays announced the January 9, 2006, City Council meeting will be held in the newly remodeled council chambers in City Hall and thanked Alderman Witcher for his efforts working on the project.

#### **UNFINISHED BUSINESS**

O-05-98

AN ORDINANCE ANNEXING A POCKET OF LAND LOCATED SOUTH OF HIGHWAY 165 IN SPANISH LAND GRANT #2417 TO BE TITLED "SPANISH LAND GRANT COMMERCIAL DISTRICT POCKET ANNEXATION" TO THE CITY OF NORTH LITTLE ROCK, ARKANSAS, AND MAKING THE "SPANISH LAND GRANT COMMERCIAL DISTRICT POCKET ANNEXATION" A PART OF THE CITY OF NORTH LITTLE ROCK; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES, was read one time on December 12, 2005, was read a second time and held by the sponsor, Mayor Hays. A public hearing will be held, Monday, January 9, 2006, at 7:05 p.m.

O-05-99

AN ORDINANCE ANNEXING A POCKET OF LAND LOCATED IN THE BAY MEADOWS ADDITION, SOUTH OF FAULKNER LAKE ROAD AND EAST OF HIGHWAY 391 TO BE TITLED "BAY MEADOWS POCKET TRACT #1 ANNEXATION" TO THE CITY OF NORTH LITTLE ROCK, ARKANSAS, AND MAKING THE "BAY MEADOWS POCKET TRACT #1 ANNEXATION" A PART OF THE CITY OF NORTH LITTLE ROCK; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES, was read one time on December 12, 2005, was read a second time and held by the sponsor, Mayor Hays. A public hearing will be held, Monday, January 9, 2006, at 7:05 p.m.

O-05-100

AN ORDINANCE ANNEXING A POCKET OF LAND LOCATED IN THE BAY MEADOWS ADDITION, SOUTH OF FAULKNER LAKE ROAD AND EAST OF HIGHWAY 391 TO BE TITLED "BAY MEADOWS POCKET TRACT #2 ANNEXATION" TO THE CITY OF NORTH LITTLE ROCK, ARKANSAS, AND MAKING THE "BAY MEADOWS POCKET TRACT #2 ANNEXATION" A PART OF THE CITY OF NORTH LITTLE ROCK; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES, was read one time on December 12, 2005, was read a second time and held by the sponsor, Mayor Hays. A public hearing will be held, Monday, January 9, 2006, at 7:05 p.m.

O-05-101

AN ORDINANCE ANNEXING A POCKET OF LAND LOCATED EAST OF CRYSTAL HILL ROAD AND NORTH OF NORTH SHORE BUSINESS PARK TO BE TITLED "YOUNG ROAD POCKET ANNEXATION" TO THE CITY OF NORTH LITTLE ROCK, ARKANSAS, AND MAKING THE "YOUNG ROAD POCKET ANNEXATION" A PART OF THE CITY OF NORTH LITTLE ROCK; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES, was read one time on December 12, 2005, was read a second time and held by the sponsor, Mayor Hays. A public hearing will be held, Monday, January 9, 2006, at 7:05 p.m.

O-05-102

AN ORDINANCE ANNEXING A POCKET OF LAND LOCATED SOUTH OF HIGHWAY 165 AND NORTH OF WILLOW BEACH ROAD TO BE TITLED "BROWN FULKERSON POCKET ANNEXATION" TO THE CITY OF NORTH LITTLE ROCK, ARKANSAS, AND MAKING THE "BROWN FERGUSON POCKET ANNEXATION" A PART OF THE CITY OF NORTH LITTLE ROCK; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES, was read one time on December 12, 2005, was read a second time and held by the sponsor, Mayor Hays. A public hearing will be held, Monday, January 9, 2006, at 7:05 p.m.

### **NEW BUSINESS**

R-05-168 (RESOLUTION NO. 6868 - MAYOR HAYS)

A RESOLUTION AUTHORIZING THE MAYOR TO ISSUE A LETTER OF SUPPORT TO THE ARKANSAS DEVELOPMENT FINANCE AUTHORITY OF A FUNDING APPLICATION FOR THE PROPOSED PHASE II OF THE RIDGE AT NORTH LITTLE ROCK; AND FOR OTHER PURPOSES, was read. A motion to adopt was made by Alderman Berry and seconded by Alderwoman Robinson. The developers were present and advised a support letter was provided two years ago. Since then, 64 units have been completed and are 75% leased. They would like to expand the project and have requested another letter of support. On the previous motion, and by consent of all members present, the resolution was adopted (7/0).

R-05-169 (RESOLUTION NO. 6869 - MAYOR HAYS)

A RESOLUTION AUTHORIZING THE EXTENSION OF THE ECONOMIC DEVELOPMENT RATE FOR ELECTRICITY SUPPLIED TO THE THIRD PRODUCTION LINE OF POLYMER GROUP, INC. (CHICOPEE); AND FOR OTHER PURPOSES, was read. On the motion of Alderman Witcher and seconded by Alderman Thomas, and by consent of all members present, the resolution was adopted (7/0).

R-05-170 (RESOLUTION NO. 6870 - MAYOR HAYS)

A RESOLUTION ACCEPTING INNERPLAN DRIVE, AND RIGHT-OF-WAY ASSOCIATED THEREWITH, FOR FUTURE MAINTENANCE BY THE CITY OF NORTH LITTLE ROCK; AND FOR OTHER PURPOSES, was read. On the motion of Alderman Witcher and seconded by Alderwoman Robinson, and by consent of all members present, the resolution was adopted (7/0).

R-05-171 (to be called at the end of new business to allow time for a presentation).

R-05-172 (RESOLUTION NO. 6871 - MAYOR HAYS)

A RESOLUTION AUTHORIZING A DEVELOPMENT RELATIONSHIP BETWEEN THE CITY OF NORTH LITTLE ROCK AND CORSON DEVELOPMENT, INC. FOR CERTAIN PROPERTY LOCATED AT 7<sup>TH</sup> AND MAIN STREETS; AND FOR OTHER PURPOSES, was read. A motion to adopt was made by Alderman Gipson and seconded by Alderwoman Robinson. Mr. Joe Smith,

Purchasing Director advised \$10,000.00 in Earnest Money will be paid to the city by the developer. The price will be negotiated if the developer decides to proceed with the development. Mr. Suskie referred to Section 2 of the resolution regarding the agreement. Mr. Smith said the property should appraise at \$10.00 per square foot. On the previous motion, and by consent of all members present, the resolution was adopted (7/0).

O-05-103 (ORDINANCE NO. 7774 - MAYOR HAYS)

AN ORDINANCE VACATING AND ABANDONING A PORTION OF AN ALLEY LOCATED WEST OF MAIN STREET AND NORTH OF WEST 5<sup>TH</sup> STREET IN THE CITY OF NORTH LITTLE ROCK; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES, was read. On the motion of Alderman Gipson and seconded by Alderwoman Robinson, and by consent of all members present, the rules were suspended and the ordinance was placed on its second reading (7/0). On the motion of Alderman Gipson and seconded by Alderman Berry, and by consent of all members present, the rules were again suspended and the ordinance was placed on its third and final reading (7/0). The ordinance was read a third and final time. This property is located behind the Baker House and is owned by Scott Miller. During title work, it was determined that approximately 2 ½ feet of the house is located in the alley. The city has been asked to abandon that portion to correct the problem. There will be no physical change to the alley and its usage. The roll having been called, and all members present having voted in the affirmative, the ordinance was adopted (7/0). Emergency clause adopted (7/0).

O-05-104 (ORDINANCE NO. 7775 - ALDERMEN PARKER AND BERRY)

AN ORDINANCE RECLASSIFYING CERTAIN PROPERTY LOCATED AT 4414 ASPEN DRIVE IN THE CITY OF NORTH LITTLE ROCK, ARKANSAS FROM R-1 TO R-2 CLASSIFICATION BY AMENDING ORDINANCE NO. 7697 OF THE CITY OF NORTH LITTLE ROCK, ARKANSAS; AND GRANTING A SPECIAL USE TO ALLOW A MANUFACTURED HOME IN AN R-2 ZONE; DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES, was read. On the motion of Alderman Berry and seconded by Alderman Thomas, and by consent of all members present, the rules were suspended and the ordinance was placed on its second reading (7/0). On the motion of Alderman Berry and seconded by Alderwoman Robinson, and by consent of all members present, the rules were again suspended and the ordinance was placed on its third and final reading (7/0). Alderman Berry was added as a cosponsor. A motion to adopt after the third and final reading was made by Alderman Berry and seconded by Alderman Parker. Mr. Shawn Spencer, Planning Department advised the residential planning ordinance did not cover manufactured homes (requiring solid foundations). The owner was present and agreeable to the recommended permanent appearance regarding the foundation enclosure. On the motion of Alderman Gipson and seconded by Alderwoman Robinson, the ordinance was amended as follows: *Section 2 (d) delete or a permanent appearance from the street leaving* THE MANUFACTURED HOME SHALL HAVE A SOLID FOUNDATION (7/0). On the motion of Alderman Berry and seconded by Alderman Thomas, and the roll having been called, and all members present having voted in the affirmative, the ordinance was adopted as amended (7/0). Emergency clause adopted (7/0).

R-05-171 (RESOLUTION NO. 6872 - MAYOR HAYS)

A RESOLUTION APPROPRIATING ADDITIONAL FUNDS FOR EXPENSES RELATED TO THE PLUM POINT DEVELOPMENT PROJECT; AND FOR OTHER PURPOSES, was read. Mr. Joe Gertsch, North Little Rock Electric General Manager distributed copies of a presentation regarding North Little Rock Wholesale Power Supply. North Little Rock residents consume approximately one million megawatt hours of electricity each year. The Hydro Plant generates about 14% and the remaining 86% is purchased from the wholesale market. The current contract with Duke will expire in March, 2007. Purchasing power from the market can be risky. Other problems may occur with

obtaining transmission. During the past 15 years, the cost of wholesale power has decreased. Power was purchased for \$37.95 per megawatt hour, including transmission. Power alone is about \$33.50 per megawatt hour. Long-term Forward Market prices were reviewed, which were considerably higher than current rates. The projected price charged by Entergy for Calendar Year 07 is \$82.20. The price of power is determined based on the price of natural gas. Mayor Hays said the Hydro Plant will be more valuable in the future, with the last payment made in 2014. Mr. Gertsch reviewed power supply risk management including a diversified portfolio of resources and fuel mix, mix suppliers, varying contract terms, market participation and demand side management. Mr. Gertsch said the opportunity to invest in a facility such as the Plum Point Energy Station does not happen very often. It takes about 7 years to plan and construct a coal-fired facility. Current plans include an online date by Spring of 2010. Plum Point could provide lowcost energy and a stable, long-term fuel source (coal). LS Power will close this project on February 15, 2006, and is allowing a Purchase Power Agreement which can be converted to an Ownership Interest (by April 1, 2006) and prepare to close by June 1, 2006. Mayor Hays said the timetable will require action by the council by the first meeting in January 2006, and recommended the council approve the additional \$60,000.00. On the motion of Alderman Thomas and seconded by Alderwoman Robinson, and by consent of all members present, with the exception of Alderman Witcher who passed, the resolution was adopted (6/1). Mayor Hays advised he would have to leave the meeting and advised Alderman Berry was the acting chair. Alderman Gipson asked what the transmission cost from Plum Point would be. Mr. Gertsch said \$4.8 million. An independent contractors study will be available before the end of the year. Tax exempt bonds could be issued for the power plant. The first payment on a bond issue would be due in 2010. More information will be provided to council members. Mr. Suskie said the emergency clause on a bond issue would be 30 days. Alderman Parker asked how much citizens will have to pay for electricity after the Duke Contract expired. Mr. Gertsch advised not much relief will be available. A retail rate increase of 30% could be expected. A comparison between North Little Rock and Entergy rates would indicate residential rates are lower, commercial and industrial rates are slightly higher. Mr. Gertsch said the Request for Proposals was issued December 12, 2005, and are due back in February, 2006.

#### **PUBLIC COMMENTS-----**

Alderman Thomas asked Code Enforcement where the dividing line was in the Historic District regarding parking in yards. Alderman Gipson asked if it is legal to drive over a curb to park in a yard. Alderman Parker has had calls regarding leaf pickup and said people can call the public works hotline at 371-8355, option 3 or leaves can be bagged and they will be picked up on the regular trash day.

There being no further business to come before the Council, and on the motion of Alderman Gipson and seconded by Alderwoman Robinson, and by consent of all members present, the meeting adjourned at 8:30 p.m. (7/0), until the next regular meeting to be held on Monday, January 9, 2006, at seven o'clock p.m. in the City Council Chamber in City Hall, located at 300 Main Street, North Little Rock, Arkansas.

APPROVED: MAYOR PATRICK HENRY HAYS  
ATTEST: DIANE WHITBEY, CITY CLERK